

**MINUTES OF REGULAR MEETING
OPEN SESSION
ILLINOIS GAMING BOARD
JUNE 26, 2007
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Monday, June 25 and Tuesday, June 26, 2007 a Regular Meeting of the Illinois Gaming Board ("Board") was held in the conference room of the Gaming Board Offices on the 3rd floor at 160 N. LaSalle, Chicago, Illinois.

On Monday, June 25, 2007 the following Board Members were present: Chairman Aaron Jaffe, Members Charles Gardner, Eugene Winkler, and James Sullivan; Member Moore was unavailable.

At 10:10 a.m. on Monday, June 25, 2007 Chairman Jaffe called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (4), (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Pending Litigation and matters involving probable litigation;**
- 2. Investigations concerning applicants and licensees;**
- 3. Personnel matters;**
- 4. Closed session minutes; and**
- 5. Evidence and testimony presented in disciplinary hearings.**

Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote. The Board remained in Closed Session until approximately 12:35 p.m. and recessed until Tuesday, June 26, 2007 at 11:50 a.m. Chairman Aaron Jaffe, Board Members Charlie Gardner, James Sullivan and Eugene Winkler were present. Member Moore participated by telephone. The Board went into Open Session at 1:05 p.m.

Roll call was taken for the start of the open session.

APPROVAL OF MINUTES -

Member Gardner moved that **the Board approve the closed session minutes of its Regular Meeting of May 21, 2007, the Special Meeting of June 7, 2007 and the open session minutes of the Regular Board meeting of May 21, 2007 and the Special Meeting of June 7, 2007.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATOR'S COMMENTS –

Administrator Ostrowski stated that the July Board meeting open session will be taking place at Harrah's Joliet at 10:00 a.m. on the 17th of July, and the September Regular Board meeting will be taking place at the Casino Queen in East St. Louis. Administrator Ostrowski also stated that Paltronics is being taken off the agenda, and withdrew its request for license renewal.

PUBLIC COMMENTARY –

- Todd J. Ruder –

Presentation by Mr. Ruder

For a couple months, I, along with my brother, my sister, and my mother, have been planning to come back to continue to discuss our concerns about the self-exclusion program, but also to celebrate my mother's successes. She got her one-year pin from GA last month. I felt a lot of gratitude last time I was here. It was an act of desperation to speak to the Board. I wasn't expecting so many people approaching me with resources and offering their help. I see it as a starting point for my mother getting better. But all that changed last Tuesday. My mother called to tell me she had relapsed. On Father's Day, she was able to board the Hollywood Casino in Aurora. She had recently received a couple hundred dollars from a state tax refund, but she left the casino with nothing.

So here I am again because I feel obligated to discuss my concerns. The self-exclusion program shouldn't require someone to speak in front of gaming board in order to prevent loved ones from getting back on board. Still, I spoke last year and told my mother she was public enemy #1 on the boats and that if she tried to board again she would be arrested, but indeed she was able to get on board because the self-exclusion program isn't doing enough to keep her off.

Last summer after I spoke, I met Crystal Yednak, reporter for the *Chicago Tribune*. Her article last September put my mother through the wringer because Mom feared if she gave an interview that her relatives, friends, coworkers, and acquaintances would know. I think it took a lot of courage on her part to participate in the interview, but there was one quote I wanted to mention. Tom Swoik, who is scheduled to speak next, said, "Gamblers struggling with addiction must also take responsibility and seek out the help they need." I find that comment offensive. My mom came to a family intervention, signed up for the self-exclusion program in Illinois, saw a therapist, joined Gamblers Anonymous, rode over with other members of GA to sign themselves out of Indiana casinos, worked through the steps, apologized to me, and has come here today. She took this process seriously. She's a mother and a grandmother; she was a doctor's wife and a college-educated nurse working mostly nights and she'll be turning 68 in a week, and still is working fulltime. Mom worked hard to get help, but she's an addict. Why do people ask the question, "Shouldn't addicts take some responsibility to get help?" Who would answer, "No"? Of course addicts have to take some responsibility to work through their recovery. The question I would like to ask is the question that rarely gets asked, "Aren't the casinos also responsible for keeping members of the self-exclusion program out?" If you asked them that question, wouldn't they try to remind people that the addicts are also responsible? Again, I say,

of course addicts have to take some responsibility to move ahead in their recovery, but what responsibility do casinos take?

Last December, the *Daily Herald* featured a story, “He won \$22,800 –and the casino took it back.” The anonymous gambler, who was on the self-exclusion list, claims to have gotten advances on his credit/debit card, used the casino ATM, written checks, and gotten cash on the Grand Victoria. When he was losing, he got on board fine. Only when he won did the casinos say, “Now hold on there!” The system is pretty good at catching winners, but crafty losers can still gamble away all the money they want. These casinos should be as effective in preventing members of the self-exclusion program from losing as they are from making sure they’re not winning.

Lastly, an article last month in the *Christian Science Monitor* reported on the tactics casinos employ. They wrote, “Anyone comforted by the idea that gambling is voluntary should spend a day with the casino staff that segment local markets, track prospects' and players' observed worth, define their predicted value, and systematically maximize individual "share of wallet" through targeted and customized promotional messages, limited-time cash offers, and carefully tracked time-to-response and spending analysis.” Casinos prey upon addicts.

I'd like to propose four items for your consideration in an attempt to improve the self-exclusion program:

- 1) I.D all gamblers who board casinos. Bars card people before serving them alcohol. Airports also have security lines and we have gotten used to these inconveniences because we see them as necessary precautions.
- 2) Change the policy language so casinos have to share responsibility to keep addicts out. The *Daily Herald* wrote, “Rules note it is the gambler’s responsibility ‘not the duty of the riverboat casino operators’ to make sure a person on the list doesn’t gamble.” Show the casinos that they must share responsibility with addicts to keep those on self-exclusion off the boats.
- 3) Casinos should have to pay treble damages to cover the losses of addicts who get on. I applaud your efforts in the past to fine casinos when members of self-exclusion are caught on board their boats, but as hefty as the fines were, if my mom still got back on board, maybe the fines aren’t hefty enough.
- 4) The self-exclusion program should catch the losers as likely as they are to catch the winners.

Mom signed up for self-exclusion and we came to speak to the Illinois Casino Board and her picture was being circulated and she still got on, and there’s 4,000+ more on the self-exclusion list, many of whom won’t come to speak to the Board and the press – many of them have stories. The casinos who have taken away her savings, her house, her 401K, my grandparents’ inheritance and they still don’t want her to stop – they still want more and they want to do it without feeling any responsibility to protect addicts who have turned to them for help. The state and casinos have both gotten millions and millions of dollars from addicts on the self-exclusion

list – it's time to strengthen the self-exclusion program and give my mom a break. Despite all her hard work through recovery, Mom experienced one weak moment during a year of recovery, and because the self-exclusion program won't require that she show her I.D. she was let on and now all of us are having to deal with a year of recovery thrown away.

The Chairman commented on the SEP; how important it is to the State of Illinois, and the Illinois Gaming Board's program is one of the best. Some of the suggestions that Mr. Ruder has stated are actually going to be discussed with the Board. Our enforcement of our SEP is very strict. Hopefully in the future, there will be some legislative help with this issue.

- Tom Swoik, Executive Director, Illinois Casino Gaming Association

I am here today to discuss several items related to minority and female business opportunities and The American Gaming Association's Responsible Gaming Education Week.

I know that some of you are aware that the eight casinos I represent participated in the Chicago Business Opportunity Fair that took place April 2-4, but this is the first chance I've had to discuss this with you. The members of the Association not only sponsored a booth at the trade fair, but also participated in many of the events.

For example, the awards banquet on the first day of the Fair. Scott Kozlowski the purchasing agent for Harrah's Casino Joliet received an award for "the phenomenal strides in embracing and including diverse suppliers in the firm's vendor base. In 2006 Harrah's increased its spend with diverse suppliers by several million dollars." Harrah's also sponsored a booth at the trade fair.

On the second day I participated along with Scott and Sally Pullara from the Grand Victoria in a workshop entitled "How to do business with casinos". We had 35-40 participants including Member Moore who also helped answer some questions concerning the Board's priorities related to utilizing minority/female owned businesses.

On the final day of the event, each of the eight casinos had staff at the two booths, Harrah's booth was right behind the Association sponsored booth. We had purchasing agents from each of the eight casinos along with other staff familiar with the process. We had a great location and I'm not sure exactly how many people stopped at the booth, but we passed out over 500 decks of cards in addition to other items. Numerous individuals had the opportunity to speak directly with representatives of the casinos. We believe it was a very worthwhile event and I have asked for the same booth space for next year.

Secondly I would like to mention our upcoming Vendor Diversity Fair, sponsored by the eight members of the Association and to be held at the Empress Casino in Joliet. I have given invitations for you and staff to Monica. The Fair will be held in cooperation with the Chicago Minority Business Development Council on Thursday, July 12, from 10:00 a.m. to 2 p.m.

We have sent out nearly 800 invitations to minority and female owned businesses from a list provided by the Chicago Minority Business Development Council, as well as names provided by my members, and from cards we collected and contacts we made at the Navy Pier event.

Additionally, we will be advertising in several newspapers aimed at minorities. We anticipate having about 50 displays.

This is the first of two events we have planned for this year, the second will be in the fall someplace downstate.

This year, in addition to the casino purchasing staff, we have also invited local government officials and businesses to also participate in discussing opportunities with the various vendors who will have displays.

Finally, the members of the Illinois Casino Gaming Association also enthusiastically support the American Gaming Association's (AGA) Responsible Gaming Education Week. The AGA created Responsible Gaming Week in 1998 to increase awareness of problem gambling among gaming employees and customers and to promote responsible gaming nationwide. The week of August 6-10, 2007, will be the tenth year for this event. This year, the theme will "Responsible Gaming: In your own words" and will again be symbolized by orange wristbands similar to those made popular by Lance Armstrong, stating "KEEP IT FUN".

The information that will be provided this year by the AGA will include not only the themed "KEEP IT FUN" wristbands in English and Spanish, but also media advisory information, Responsible Gaming Activities Workbooks, buttons, ribbons, stickers, brochures, posters, and table tents for employee lounges. The objective of the campaign is to involve employees in activities to promote responsible gaming. Employees are trained to explain to patrons the significance of the wristband, button, sticker or ribbon they are wearing during Responsible Gaming Education Week.

Prior to Responsible Gaming Education Week, management at the casinos provided training to staff not only related to the week's activities, but also as a refresher to the training every employee receives related to responsible gaming.

Additional activities conducted in conjunction with Responsible Gaming Education Week at various casinos usually includes:

- Displaying posters throughout the properties;
- Providing information to employees via paycheck stuffers;
- Free lunch for employees during the kick-off day for the week
- Displaying table tents in employee lunch rooms and lounges, reeducating employees about protocols and procedures related to responsible gaming;
- Explaining the company's protocols for responsible gaming and the roles of employees through formal letters and memos from top company management;
- Conducting employee contests to identify key terms related to responsible gaming initiatives;

- Discussing issues related to responsible gaming during employee meetings;
- Providing information and advertising, promoting responsible gaming in direct mail pieces and a local newspaper.
- Newsletters with information about the week, and
- Comprehensive training for management staff

Although Responsible Gaming Education Week is a special industry-wide collaborative effort, we are actively involved in improving responsible gaming efforts throughout the year.

In fact two of our own have already won an award from the AGA in their Poster and Essay contest. Over 100 essays were received, 15 of which will be published in a book entitled "In Their Own Words: Voices of Responsible Gaming". Philip Cicero, Cage Shift Manager at the Empress and Michael Nelson, Income Control Auditor at Harrah's Joliet Casino, essays will be in the book.

Two years ago during Responsible Gaming Education Week the Empress Casino held a seminar for counselors and other professionals working with problem gamblers. The one-day training session provided by Bensinger DuPont and Associates provided over 120 participants with an opportunity to upgrade their training and receive continuing education credit hours. The training was provided free of charge.

This year the Association will sponsor the event that will be held during the week of August 6-10 again at the Empress. This year the invitations have been expanded to statewide.

This year the emphasis will be placed on senior citizens and youths under 21.

Again, continuing education credits will be given and the training will be free to the participants. I will provide you with more information as dates and times are set.

Thank you for the opportunity to discuss these events.

Member Moore commented on the minority business fair. The fair was very outstanding, the participation, the workshops and the booths. It was outstanding.

Member Winkler stated that most problem gambling lies within the 45-65 year age group. Member Winkler commended Tom Swoik on helping that age group.

- Wayne Burdick, Outreach Foundation

Just making some observations. If you are going to card every patron you must have an agreement between other states. Many problem gamblers will go back a couple of times before they quit for good, and going across the border to another state is one of the problems. In some cases they go on the Internet. Mr. Burdick stated that people need to be helped when they agree to get help. There is no funding, and you need to get the ear of the Governor, because funds are dwindling each year. SEP is a good thing, it does help. The people who self exclude in Illinois, are encouraged to also exclude in Indiana. They are not a very cooperative state. The Outreach Foundation takes busloads of patrons to self-exclude in Indiana. It appears that Illinois is falling further behind in helping gamblers. Mr. Burdick suggested that his group needs more money to run his program. Gamblers' problems start when the gambler stops gambling. The priority should not be keeping the gambler off the boat, the priority should be to get the gambler help.

Funding is what is needed. Burdick invited Board members to sit in on the Downers Grove meeting held on Saturday mornings. This way they could see first hand what is going on.

The Chairman stated that the Gaming Board does not control the funds, it is Springfield. The philosophy of the Board is not necessarily supported by Springfield.

OWNER LICENSEE ITEMS

a. Items for Initial Consideration –

- MGM – Request for approval of Fifth Amended and Restated Loan Agreement

Paul Jensen appeared before the Board to request approval of the Fifth Amended and Restated Loan Agreement.

b. Items for Final Action –

- Par-A-Dice – Shawn Dye, Assistant General Manager – Level One

Member Winkler asked when Par-A-Dice will find a permanent General Manager. Dave Daley stated that there are two finalists for the position, and an offer will be made soon.

Based on a review of staff's investigation and recommendation, Member Sullivan moved **that the Board approve Shawn Dye, Level One Occupational Licensee in the position of Assistant General Manager of Par-A-Dice Gaming Corporation.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Harrah's Metropolis Casino & Hotel – Charles S. Green, Director of Slots – Level One

Based on a review of staff's investigation and recommendation, Member Sullivan moved that **the Board approve Charles S. Green, Level One Occupational Licensee in the position of Director of Slots for Harrah's Metropolis Casino & Hotel.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Casino Rock Island – License Renewal – Motion to Clarify

Whereas, on May 21, 2007 the Board approved a 4-year renewal of an Owner's License for Casino Rock Island, Member Sullivan moved **to clarify for the record that the renewal is for the Rock Island Boatworks, Inc., d/b/a Jumer's Casino Rock Island.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

SUPPLIER LICENSEE ITEMS

- Aristocrat Technologies, Inc. – License Renewal

Based on a review of staff's investigation and recommendation, Member Winkler moved that **the Board approve the renewal of Aristocrat Technologies, Inc. for a term of four years to manufacture, sell or lease electronic gaming devices to licensed riverboat casinos in the State of Illinois, pursuant to the requirements of the IGB as listed in the Adopted Rules.**

Furthermore, Member Winkler moved **to designate and approve the following as Key Persons of Aristocrat Technologies, Inc.:**

- 1. Chief Executive Officer (Chief Executive Director);**
- 2. Chief Operating Officer (President);**
- 3. Aristocrat Leisure Limited; and**
- 4. Aristocrat International Pty. Limited.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS - Level 2's & 3's

Based on staff's investigation and recommendation, Member Gardner moved that **the Board approve 69 applications for an Occupational License, Level 2, and 213 applications for an Occupational License, Level 3.**

Further, Member Gardner moved that **the Board direct the Administrator to issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendation.**

- 1. Dechele J. Hughes;**
- 2. Brooke R. Zucca;**
- 3. Miguel Mendez; and**
- 4. Jessica Cooper.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATIVE HEARING/ALJ REPORTS

- In Re: The Disciplinary Action of Kenneth Endemann, OL-07-01 ALJ Recommendation – IGB Final Order

Member Sullivan moved **to enter a Final Board Order adopting the Order and Finding of Default entered by Administrative Law Judge Mimi Brin on June 1, 2007 denying Kenneth Endemann's application for occupational license.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Howard D. Kirby – Request for Hearing

Member Sullivan moved that **the Board deny Howard Kirby's request for Hearing based on the fact that he has offered no facts that establish a prima facie case.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- In Re: Disciplinary Action of Emerald Casino, Inc., DC-01-05
 - Motion for Stay of Final Order of December 20, 2005

Member Winkler moved that **the Board enter the following Order** (read attached order). Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS –

Member Gardner went on to state that all casino employees are to report any arrests, the Board means business, and the requirement must be complied with.

- Jason Harrington, Occupational Licensee

Based on staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Jason Harrington, an occupational licensee for his failure to disclose an April 20, 2007 arrest to the IGB.**

Further, Member Gardner moved that **the Board suspend Jason Harrington's occupational license for 3 days without pay. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Steven P. Bowlsby, Occupational Licensee

Based on staff's investigation and recommendation, Sullivan moved that **the Board issue a Disciplinary Complaint against Steven P. Bowlsby, an occupational licensee for his failure to follow internal controls regarding the proper procedure to follow before allowing cards to be used on a table game when a shuffling error continued for a 3 ½ hour period.**

Further, Member Sullivan moved that **the Board suspend Steven P. Bowlsby's occupational license for 5 days without pay. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Dennis P. Weber, Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Dennis P. Weber, an occupational licensee because**

he over-rode a decision made by three security officers that a patron was intoxicated and then permitted that patron to return to the casino and gamble.

Further, Member Winkler moved that **the Board suspend Dennis P. Weber's occupational license for 5 days without pay. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Peter R. Greenberg, Occupational Licensee

Based on staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Peter R. Greenberg, an occupational licensee due to his admitted theft of money from another casino employee.**

Further, Member Gardner moved that **the Board revoke the license of Peter R. Greenberg. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Aubrey Thomas, Occupational Licensee

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board issue a Disciplinary Complaint against Aubrey Thomas, an occupational licensee, due to his inappropriate contact with certain female employees at Harrah's Metropolis, misuse of his position at Harrah's in relation to certain female employees, his failure to fully and timely cooperate in the Board's investigation and his false statements to the Board during the investigation.**

Further, Member Sullivan moved that **the Board revoke the license of Aubrey Thomas. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Dino L. Grando, Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Dino L. Grando, an occupational licensee due to his admitted theft of property from the Empress Casino between September 2006 and April 2007.**

Further, Member Winkler moved that **the Board revoke the license of Dino L. Grando. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Par-A-Dice Corporation, D/B/A Par-A-Dice Hotel Casino, an Owner Licensee and Maurice Yarbrough and Teresa Anderson, Occupational Licensees

Based on staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Par-A-Dice Casino, an Owner Licensee, Maurice Yarbrough, an occupational licensee, and Teresa Anderson, an occupational licensee, for its and their involvement in serving a patron 19 alcoholic beverages in an approximate 7 hour period of time.**

Further, Member Gardner moved that **the Board fine Par-A-Dice \$150,000, suspend Maurice Yarbrough's occupational license for 10 days without pay, with credit for 5 days that Yarbrough was suspended without pay by Par-A-Dice, and suspend Teresa Anderson's occupational license 3 days without pay. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

PERSONNEL – no motion

Member Gardner stated that he would like to commend staff on the handling of all the complaints. We are all up to date. Many of us have been around for two years, and we are in the business of watching out what's happening in this industry. These are not isolated incidents. We are watching all the time. I hope this sends a message we are always watching for misbehavior. You see examples of sexual harassment, theft, over serving, supervisor overriding the authority of trained security guards in identifying patrons being intoxicated, warning lights on card shuffler are not to be ignored. Staff is doing a great job.

ADJOURNMENT

At 2:20 p.m. Member Gardner motioned for adjournment while Member Sullivan second the motion.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator